

CHESTERTON HOMETOWN ASSETS MAXIMIZATION PROGRAM
“CHAMP”

TOWN OF CHESTERTON, INDIANA

**CHESTERTON HOMETOWN ASSETS
MAXIMIZATION PROGRAM
“CHAMP”**

Application Information

Approved by the Chesterton Town Council CHAMP Loans on May 14, 2018.

Also approved by the Chesterton Economic Development Company, Inc. for loans or grants from the Chesterton Economic Development Company, Inc., on May 4, 2018.

CHESTERTON ECONOMIC DEVELOPMENT COMPANY, INC.,
1490 BROADWAY, CHESTERTON INDIANA 46304 (219) 926-1641

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OVERVIEW

1. Application Authority and Introduction

This application was developed by the Chesterton Economic Development Company, Inc., (“CEDC”) as part of its economic development services contract with the Town of Chesterton (“Town”). The application was presented to the Town Council by the CEDC on May 14, 2018. On _____, 2018 the Town Council approved the use of this application for businesses seeking to obtain loans from the CHAMP Revolving Loan Fund, Established by Ordinance 2017-15. The CEDC has also approved this application for businesses seeking to obtain loans or grants from the CEDC. Therefore, applicants who wish to be considered for both programs only need to submit one application.

Applicants must review this application packet in full, and complete all relevant sections before submitting it for consideration. All applications will be reviewed by the CEDC, which will make recommendations to the Town Council on whether CHAMP loans should be approved. The Town Council retains the ultimate authority and sole discretion to approve and issue loans from the CHAMP Revolving Loan Fund.

The CEDC retains the ultimate authority and discretion to approve and issue loans or grants from the CEDC’s accounts.

2. CHAMP Objectives

The Chesterton Economic Development Company, Inc. (CEDC) was incorporated to improve the quality of life in Chesterton by improving the economic climate in the Downtown and redevelopment areas through job creation, business retention, and by promoting quality development. The Chesterton Hometown Assets Modernization Program “CHAMP” loan program was developed to encourage visitors and residents to spend more time in our downtown areas by:

1. Encouraging the participation of small businesses, including tenants, business owners, and property owners in the revitalization and redevelopment activities.
2. Assisting tenants or owners in building front renewal, repairs, upgrades, or the purchase of equipment or furniture will promote reinvestment by existing business and continue to enhance our commercial areas.

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3. Inducing new business entrants to Chesterton.
4. Preserving the character of Chesterton’s downtown;
5. Improving building street/facades in commercial areas.

3. Application Information

The Chesterton Economic Development Company, Inc. (CEDC), will review applications for CHAMP loans and make recommendations to the Town Council, which retains ultimate control over the CHAMP Revolving Loan Fund. The loan fund was established to assist local, small businesses and new or expanding businesses in Chesterton, Indiana. A completed application form is necessary for the CEDC to evaluate the proposed project and make recommendations to the Town Council.

This involves a two-step process. First, the applicant must complete and submit the initial application form, which will be considered and acted upon by the CEDC at its next monthly meeting, if the initial application is submitted on or before the 15th of the month. The CEDC regularly meets on the first Friday of each month. No application fee is required for the initial application. The CEDC will review the initial application and determine whether the project qualifies for the CHAMP loans, and what additional information the applicant must submit depending on the scope of the project.

If the applicant proceeds with the application, all required information must be submitted for consideration by the CEDC. It is understood that for new and some up-and-coming small businesses all the business and financial records data may not be applicable or available.

A non-refundable application fee of \$100 is payable at the time the additional information is submitted. If all of the additional information is received within 15 days of notification from the CEDC that the project qualifies for CHAMP loans, the CEDC will make a determination at its next regular meeting. (Please note that the additional information may be submitted later, but that it may delay review by the CEDC and affect the availability of funds). After the Application and required supporting documentation is received, the CEDC will review the submission and make a recommendation to the Town Council for CHAMP loans. Please note, the CEDC will also have the discretion to award a grant or loan from the CEDC’s accounts to an applicant.

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The applicant is assured privacy. Financial information, personal information, and any trade secrets that are disclosed will be held in confidence to the extent permitted by law. However, the recommendations by the CEDC to the Town Council will be public records.

For new construction or remodel/expansion projects, the applicant is strongly encouraged, but not required, to:

- Meet with the Town’s Building Department or consult with a design professional (architect or engineer) regarding the project; and
- Obtain approval from the CEDC Loan Committee prior to beginning the project, as failure to do so may jeopardize the availability of CHAMP loan funds for the project.

The Fund requires a minimum of 10% equity contribution from an applicant, and that the applicant be responsible for all closing costs associated with their loan.

Successful loan applicants will be required to execute a Loan Agreement and Promissory Note as a condition to receiving the funds.

If loan funds are committed by the Town Council, necessary building permits must be obtained, work commenced within 120 days, and the applicant must comply with all local, State, and federal building laws and codes. If work is not commenced within 120 days, then the funds will no longer be committed and may be made available to other applicants. Funds will be disbursed according to a draw schedule or through reimbursements supported by expense receipts and invoices. If any funds have been disbursed prior to the commencement of work and work is not commenced within 60 days, interest will accrue at the rate of two percent (2%), subject to change.

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**CHAMP Loan Fund
Application Form – Part I**

Please type or print clearly. Be sure to fill in each blank and answer each question. If not applicable, mark N/A and explain. If there is not enough room, attach additional sheets. Financial data and supplemental information as noted on the Applicant Checklist is not required for the initial application, but will be required prior to loan review.

** The Applicant is assured privacy. Financial information, personal information, and any trade secrets that are disclosed will be held in confidence to the extent permitted by law. However, the recommendations by the CEDC to the Town Council will be public records. **

Applicant Name(s): _____

Business Name: _____

Business Address: _____ City: _____ State _____ Zip: _____

Business Mailing Address (if different from Business Address): _____

Phone: _____ Cell Phone: _____ Fax: _____

Email address: _____

Project Classification: _____ Commercial _____ Community

_____ Retail _____ Manufacturing _____ Other: (_____)

Date Business Established: _____

Employer's Identification Number: _____ Owner Soc. Sec. No. _____

Amount requested: _____ Purpose: _____

How will the loan be secured (personal guarantee / mortgage / personal property, etc.): _____

1. **DESCRIBE YOUR BUSINESS:** (legal structure, ownership, primary business activity, management experience). Attach additional pages as necessary.

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2. **DESCRIBE THE PROPOSED PROJECT:** (include previous experience that supports successful achievement). Attach additional pages as necessary.

3. **COMMUNITY IMPACT:** (Explain the benefits to the community/area and the effects on the local, state, or tourism tax base).

4. **PROPOSED USE OF FUNDS:**
(INCLUDE ALL COSTS ASSOCIATED WITH PROJECT)

➤ LAND IMPROVEMENTS.....	_____
➤ BUILDING.....	_____
➤ REMODELING.....	_____
➤ NEW CONSTRUCTION.....	_____
➤ MACHINERY AND EQUIPMENT (ATTACH LIST AND COST)	_____
➤ FURNITURE AND FIXTURES (ATTACH LIST AND COST)	_____
➤ OTHER (please describe in detail)	

	TOTAL _____

Date: _____

Signature: _____

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5. LOAN CLASSIFICATIONS

I. \$5,000.00 and Less

For this category the CEDC will require minimal documentation and the Applicant will personally execute a Promissory Note for the authorized loan Amount.

II. \$5,001.00 - \$10,000.00

This category will require more detailed information and disclosures, and the Applicant will personally execute a Promissory Note for the authorized loan Amount.

III. \$10,001.00 to \$20,000.00

This category will require extensive disclosures and information, and will require the Applicant / major stock- holders / partners to provide substantial guarantees, including executing Promissory Notes.